

## Divisions

1. Trigger Repeal – Removes the benchmark requirements to allow the income tax cuts passed in 2018 to tax effect next year.
2. Child Dependent and Development Tax Credits – Increase income threshold from \$45,000 to \$90,000. Retroactive to 1/1/21
3. COVID-19 Grants – Excludes such grants (from IEDA, IFA or IDALS) from Iowa income taxes. Retroactive to 3/23/20.
4. Federal PPP Fix to allow FY2019 filers the same business expense deductions granted to FY2020 filers.
5. Capital Gains – The trigger repeal in Division 1 affects Capital Gains, so this division specifies that sales occurring prior to 1/1/2023 are governed by the 2019 tax bill's instructions and sales after that date are governed under the current law.
6. Estate Tax Repeal – Eliminates over a 2+year period the State's Inheritance Tax by both reducing the rate and increasing the exemption and then repeals it altogether effective 01/01/2024.
7. Raises the State Housing Trust Fund cap from \$3 million to \$7 million.
8. High Quality Jobs Eligibility – Allows IEDA to consider as an eligibility factor whether or not a proposed project will include a licensed child care center for employees.
9. Innovation and Angel Tax Credits - Allows flexibility in IEDA's allocation between the equity investments innovation fund and investments in qualifying businesses (Angel Investors).
10. Telehealth – Mental Health Parity
11. High Quality Jobs and Renewable Chemical Production Cap – Lowers the annual aggregate cap for High Quality Jobs Tax Credit programs from \$105 million to \$70 million. Lowers the cap on the Renewable Chemical Production Tax Credit program from \$10 million to \$5 million.
12. High Quality Jobs Eligibility – Prevents companies from qualifying for High Quality Job Program assistance for a project while they are simultaneously reducing operations at another site.
13. Inserts the Manufacturing 4.0 provisions of HF 789. Creates a Manufacturing 4.0 investment fund for eligible manufacturers.
14. Energy Infrastructure Revolving Loan Fund - Prohibits the Iowa energy center from initiating any new loans after June 30, 2021 and requires that all loan payments received after that date be transferred to the new energy infrastructure revolving loan fund.
15. Workforce Housing Tax Credit – Raises the program cap for one year from \$25 million to \$40 million, and raises the small city portion from \$10 million to \$12 million. After that year, the cap would move for a year to \$35 million with \$15 million allowed for small cities with \$5 million reserved for projects in areas of the State with the greatest need as determined by the IEDA. After that 2<sup>nd</sup> year, the cap in subsequent years would be \$30 million with \$15 million for small cities.
16. Brownfield/Grayfield Program – Extends the program by 10 years (to 6/30/2031) and raises the cap on the program from \$10 million to \$15 million.
17. Downtown Loan Guarantee Program created to encourage downtown businesses and banks to reinvest and reopen following the COVID-19 pandemic.
18. Disaster Recovery Housing Assistance Program and Fund – Creates and funds the Disaster Recovery Housing Assistance program for the State. Includes directives for departments on putting the program together for homeowners and renters and requires a report back to the Legislature.

19. Conforms with the federal government's allowance for businesses to declare a bonus depreciation on equipment and capital assets in the first year.
20. Beginning Farmer Tax Credit Expansion – Makes a number of changes to the program.
21. Mental Health Funding
22. Backfill Phaseout - Repeals the property tax backfill to local governments. The bill would cap it as of FY2022 and then repeal it as of July 1, 2029.
23. Raises the school foundation percentage from 87.5% up to 88.4%. This would lower property taxes since the part of school funding that would need to come from local property taxes would fall from 12.5% to 11.6%.
24. Public Education and Recreational Tax Levy - repeals the voter approved Public Education and Recreational Tax Levy, a local imposed tax of up to 13-1/2 cents per \$1,000 of assessed value to fund public recreation and community education purposes. The division would alter the list of allowable uses of the school's SAVE penny to allow the school to fund some of those purposes through that function.
25. Elderly Property Tax Credit - Modifies the Elderly Property Tax Credit eligibility to make the credit available to applicants over 70 years of age who have a household income of less than 250 percent of the federal poverty rate.
26. Public Transit Levy - Allows regional transit districts and urban transit systems to take to voters an additional hotel/motel tax of up to the 5%. New revenues would need to be directed toward property tax relief for the first two years.